

**BEFORE THE MINNESOTA  
BOARD OF PHYSICAL THERAPY**

In the Matter of the  
Physical Therapy License of  
Paul H. Hougan, P.T.  
Date of Birth: 9/15/56  
License Number: 2076

**STIPULATION  
AND ORDER**

IT IS HEREBY STIPULATED AND AGREED, by and between Paul H. Hougan, P.T. ("Respondent"), and the Complaint Review Committee ("Committee") of the Minnesota Board of Physical Therapy ("Board") as follows:

1. During all times herein, Respondent has been and now is subject to the jurisdiction of the Board from which he holds a license to practice physical therapy in the State of Minnesota.

2. Respondent has been advised by Board representatives that he may choose to be represented by legal counsel in this matter. Although aware of his right to representation by counsel, Respondent has knowingly and expressly waived that right. The Committee was represented by Paul R. Kempainen, Assistant Attorney General, 1400 NCL Tower, 445 Minnesota Street, St. Paul, Minnesota 55101, (651) 297-5935.

**FACTS**

3. For the purpose of this stipulation, the Board may consider the following facts as true:

a. Respondent is a licensed physical therapist (PT) who is the owner of Therapywerks, P.A. in Fairbault, Minnesota. Respondent has been licensed by the Board since June 9, 1980.

b. The Board received information that Respondent inappropriately delegated physical therapy duties to physical therapist assistants (PTA) and aides, including performing evaluations and re-evaluations; incompletely documented physical therapy services;

failed to supervise aides and PTAs; and inaccurately coded physical therapy services for reimbursement. Based on the above, thirteen patient records were reviewed, as well as appointment books.

c. Review of records revealed documentation deficiencies, lack of adequate supervision, and inappropriate task assignment and delegation including the “PTA” or “aide” performing the initial evaluations. Documentation deficiencies included a lack of baseline functional information and failure to document consultation with a referral source regarding change in orders.

d. Based on the above allegations, twelve additional records were obtained for review containing a broad base of patient diagnoses with dates of discharge from 1998 to 2002. Practice deficiencies were again found in several areas.

e. These twelve records revealed the following practice deficiencies:

1) Respondent documented the same or similar plan of care for a wide variety of patient diagnoses including chronic low back pain, recent onset lumbar strain, abdominal and groin pain, fibromyalgia, and elbow pain.

2) Respondent failed to document initial functional status and limitations, projected functional outcomes, and functional progress as the result of treatment.

3) Respondent failed to authenticate the documentation with signatures on several patient records.

4) Respondent used non-standard terminologies that were not defined in the documentation.

5) In several patient files, Respondent failed to provide

documentation of a discharge summary when a patient discontinued themselves from therapy prior to the completion of the plan of care.

f. Respondent inappropriately delegated to a physical therapist assistant the following activities: patient evaluation, treatment planning, initial documentation, and initial treatment. Respondent inappropriately assigned the following tasks to an aide: initial evaluation, initial treatment, and treatment without direct supervision.

### **STATUTES**

4. The Committee views Respondent's practices as inappropriate in such a way as to require Board action under Minn. Stat. § 148.75(a) (5), (6), (9) and (11) (2000). Respondent agrees that the conduct cited above constitutes a reasonable basis in law and fact to justify the disciplinary action under these statutes.

### **REMEDY**

5. Upon this stipulation and all of the files, records, and proceedings herein, and without any further notice or hearing herein, Respondent does hereby consent that until further order of the Board, made after notice and hearing upon application by Respondent or upon the Board's own motion, the Board may make and enter an order conditioning and restricting Respondent's license to practice physical therapy in the State of Minnesota as follows:

- a. Respondent is hereby REPRIMANDED for the conduct referenced above.
- b. Respondent shall submit to and cooperate with quarterly reviews performed by the Problem Identification/Peer Review Committee of the Minnesota Chapter of the American Physical Therapy Association ("MNAPTA"). These reviews shall include chart audits, billing reviews, and periodic on-site observation of practice. Respondent shall ensure that the Board receives quarterly reports from the MNAPTA regarding the findings of each review performed.
- c. Respondent shall successfully complete, by July 1, 2003, the following courses approved in advance by the Complaint Review Committee:

- 1) Guide to Physical Therapist Practice.
- 2) CPT Coding class.

Successful completion of these courses shall be determined by the Committee or its designee.

d. Respondent shall initiate an internal peer review process for his practice, and develop and submit peer review policies and procedures for approval by the Committee by May 1, 2003.

e. Respondent shall pay to the Board the amount of \$2,500 within one year of the date of this Order as reimbursement for investigational costs.

f. The Respondent shall pay all costs of complying with paragraphs 5.b, c, and d.

g. This Stipulation and Order shall remain in effect for a minimum of two years. At the end of this period, Respondent may petition for reinstatement of an unconditional license. Upon hearing the petition, the Board may continue, modify, or remove the conditions set out herein.

6. Within ten days of the date of this Order, Respondent shall provide the Board with a list of all hospitals and skilled nursing facilities at which Respondent currently has privileges, a list of all states in which Respondent is licensed or has applied for licensure, and the addresses and telephone numbers of Respondent's residences and all work sites. Within seven days of any change, Respondent shall provide the Board with the new address and telephone information. The information shall be sent to Stephanie Lunning, Minnesota Board of Physical Therapy, University Park Plaza, 2829 University Avenue S.E., Suite 315, Minneapolis, Minnesota 55414-3222.

7. In the event Respondent resides or practices outside the State of Minnesota, Respondent shall promptly notify the Board in writing of the location of his residence and all work sites. Periods of residency or practice outside of Minnesota will not be credited toward any period of Respondent's suspended, limited, or conditioned license in Minnesota unless

Respondent demonstrates that practice in another state conforms completely with Respondent's Minnesota license to practice physical therapy.

8. If Respondent shall fail, neglect, or refuse to fully comply with each of the terms, provisions, and conditions herein, the Committee shall schedule a hearing before the Board. The Committee shall mail Respondent a notice of the violation alleged by the Committee and of the time and place of the hearing. Respondent shall submit a response to the allegations at least three days prior to the hearing. If Respondent does not submit a timely response to the Board, the allegations may be deemed admitted.

At the hearing before the Board, the Committee and Respondent may submit affidavits made on personal knowledge and argument based on the record in support of their positions. The evidentiary record before the Board shall be limited to such affidavits and this Stipulation and Order. Respondent waives a hearing before an administrative law judge and waives discovery, cross-examination of adverse witnesses, and other procedures governing administrative hearings or civil trials.

At the hearing, the Board will determine whether to impose additional disciplinary action, including additional conditions or limitations on Respondent's practice, or suspension or revocation of Respondent's license.

9. In the event the Board in its discretion does not approve this settlement, this stipulation is withdrawn and shall be of no evidentiary value and shall not be relied upon nor introduced in any disciplinary action by either party hereto except that Respondent agrees that should the Board reject this stipulation and if this case proceeds to hearing, Respondent will assert no claim that the Board was prejudiced by its review and discussion of this stipulation or of any records relating hereto.

10. Respondent waives any further hearings on this matter before the Board to which Respondent may be entitled by Minnesota or United States constitutions, statutes, or rules and agrees that the order to be entered pursuant to the stipulation shall be the final order herein.

11. Respondent hereby acknowledges that he has read and understands this stipulation and has voluntarily entered into the stipulation without threat or promise by the Board or any of its members, employees, or agents. This stipulation contains the entire agreement between the parties, there being no other agreement of any kind, verbal or otherwise, which varies the terms of this stipulation.

Dated: \_\_\_\_ 11/10/02 \_\_\_\_

Dated: \_\_\_\_ 11-21-02 \_\_\_\_

SIGNATURE ON FILE

SIGNATURE ON FILE

\_\_\_\_\_  
Paul H. Hougan, P.T.  
Respondent

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For the Committee

#### ORDER

Upon consideration of this stipulation and all the files, records, and proceedings herein,  
IT IS HEREBY ORDERED that the terms of this stipulation are adopted and  
implemented by the Board this \_21st\_ day of \_November\_\_\_\_, 2002.

MINNESOTA BOARD OF  
PHYSICAL THERAPY

SIGNATURE ON FILE

\_\_\_\_\_  
STEPHANIE LUNNING  
Executive Director

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